

Study finds fault with mortgage efforts

By Kimberly Blanton

BOSTON — Most state pension funds' special programs for buying in-state mortgages have failed, according to a study by Alicia Munnell.

Ms. Munnell, vice president and economist at the First Federal Reserve Bank of Boston, in a detailed study of in-state mortgage investments, found states that purchased mortgages either have failed to increase the supply of mortgages within their state or have suffered a loss of return.

State investments in Govern-

ment National Mortgage Association mortgages, which yield market rates, have done nothing to increase the supply of mortgages, according to Ms. Munnell's study, which provides copious data on public funds' mortgage investments.

Twenty-six states, including California, Massachusetts, Alabama, Washington, Ohio, Texas and Indiana, have total holdings of \$15 billion in Ginnie Maes.

Moreover, investments in another popular mortgage security, the privately insured Mortgage Guaranty Insurance Corp. — Mag-

gie Maes — sacrificed return. Maggie Maes, while more risky and less liquid than Ginnie Maes, had inferior yields.

Only two states, Colorado and Oregon, have succeeded in providing attractive mortgage terms for residents of their states without sacrificing return to the funds investing in the mortgages.

In an appendix to the study, titled "The Pitfalls of Social Investing: The Case of Public Pensions and Housing" and published in the September edition of the New England Economic Review, Ms. Munnell detailed state-by-state "social

investment programs, those intended to improve the economy within the state.

Ms. Munnell found five states — Colorado, Delaware, Michigan, Ohio and Washington — with venture capital programs for in-state companies. In Connecticut and Massachusetts, it is illegal to make investments in companies with South African operations. The Massachusetts fund also has divested its holdings in companies selling arms in Northern Ireland and in banks that provide financing to these companies.

The focus of the study, however,

is on in-state mortgage investing, which is "by far the most prevalent form" social investing has taken. She found 31 states make social investments, primarily through targeted mortgage programs.

The programs largely have failed, according to Ms. Munnell. "Those states that have invested in government-insured pass-throughs (Ginnie Maes) have avoided any loss of return, but have not increased the supply of mortgage funds through the purchase of these market-rate securities," Ms. Munnell wrote.

Continued on page 41

Pensions & Investment Age

© Entire contents copyright 1983 by Crain Communications Inc. All rights reserved.

The newspaper of corporate and institutional investing • \$3.00 an issue • \$60 a year • October 17, 1983

Reynolds ends plan

By Joel Chernoff

RICHMOND, Va. — Reynolds Metals Co. has terminated its pension plan for salaried employees to recapture \$130 million in excess assets.

In its place, the company has set up a new defined benefit plan with higher benefit levels.

The company has \$780 million in pension trust assets; the salaried plan assets total \$470 million.

"Basically, we wanted to update our benefit for nula and put to productive use the cash in excess of that required to pay future benefits," said Roger Campbell, a Reynolds spokesman.

The reversion of assets stands out as one of the larger recaptures in the trend of companies terminating overfunded plans. Occidental Petroleum Corp.'s recapture of \$400 million from the termination of four plans is the highest reversion known (*Pensions & Investment Age*, Aug. 22).

Reynolds filed to terminate its Retirement Program for Salaried Employees Aug. 12 with a proposed termination date of Aug. 22.

The plan had 3,144 retirees and beneficiaries, and 8,813 active and vested former employees.

The aluminum-industry firm also maintains "about 30" retirement plans for its hourly employees, Mr. Campbell said.

The company filed its application with the Internal Revenue Service Aug. 22 for a determination letter on the new plan for salaried employees.

The Pension Benefit Guaranty Corp. has not yet ruled on

Continued on page 45

Celanese Corp.'s \$700 million fund

\$300 million excess targeted

By Joel Chernoff

NEW YORK — Citing benefits to shareholders and employees, Celanese Corp. is trying to recapture \$300 million in excess assets from its \$700 million pension fund.

If the company obtains government consent, it will split its pension fund into one for active employees and one for retired employees, putting the excess assets in the latter. It then will terminate the newly created retired employees' plan and recapture the excess assets, according to company officials.

Celanese expects to receive about \$160 million in the second or third quarter of 1984, after paying taxes on the \$300 million, said C. Robert Tully, vice president and chief executive officer. While the company is exploring its options to shelter or defer taxes on the reversion, Mr. Tully said Celanese has no present plans.

He said that forgoing the recapture because of having to pay taxes would be like saying, "Let's not make a dollar of profit because we have to give 46 cents to the government." He said it "doesn't disturb" the company to pay the taxes, particularly since the firm received tax writeoffs when it contributed to the fund.

The company might run into opposition in receiving permission for its plan, however. Government agencies have expressed reservations over similar applications by other firms (*Pensions & Investment Age*, Oct. 3).

However, Celanese executives maintain their action is legal and appropriate. Moreover, they say a tied-in boost in benefits will aid employees, and shareholders will gain from making the money available for corporate purposes.

The producer of chemicals, fibers and specialties asserts that, unlike cash-poor firms that recently have terminated overfunded plans, it is not in a money bind.

In the first two quarters of 1983, Celanese had income of \$1.61 per share, down 31% from the first half of 1982 but much better than last year's overall loss of \$2.45 per share. The 1982 loss was largely due to a \$5-per-share loss involving a Mexican subsidiary and the devaluation of the peso.

"Our plan, as of the end of last

year, was 83% overfunded," which was the highest in its industry, according to Kenneth G. Anderson, Celanese vice president for employee affairs. He said the overfunding was due to conservative funding approaches.

Mr. Tully condemned the recent actions by some companies to terminate an entire plan to recapture excess assets and replace it with a defined contribution plan, calling such moves "morally wrong."

In many such cases, terminations were made to avert potential take-

overs or to reduce corporate debt.

Terminating the entire plan and replacing it with a defined contribution plan would not only be more expensive but would provide less retirement income security for participants, the company maintains.

The Celanese Retirement Income Plan covers 15,000 active participants and 6,000 retirees. Just prior to splitting the plan, Celanese will boost benefits for active employees by about 11% as of Jan. 1, 1984, con-

Continued on page 42

Highs and lows among pension fund executives' salaries. See pages 17-18.

Managers raise cash reserves, lose to market in third quarter

By Nancy Webman

DALLAS — Investment managers in the INDATA universe slightly increased their cash reserves by the end of the third quarter, which one INDATA official links to institutional money managers underperforming the market in the same period.

William T. Kennedy, a partner in the Connecticut portfolio evaluation company, said the managers might have more cash because they kept out some money after selling in sectors in which they were overweighted and buying in sectors in which they were underweighted.

Those same managers underperformed the market because they were underweighted in the top performing groups — utilities and basic materials — and were overweighted in a poor performer — technology, Mr. Kennedy commented.

Equity managers had an average of 10% cash reserves Sept. 30, up from 9.6% June 30 and the first increase in cash holdings in about a year.

The increase began in the first week of September, Mr. Kennedy said, indicating the managers sold into the rally that was occurring at the time.

The 10% cash "is not an exciting figure," and is about halfway be-

tween the high of 16.8% in August 1982 and the low of 5.6% in 1976, Mr. Kennedy noted. He said money managers "don't seem to believe the market, don't seem to believe that the market leadership is in

Continued on page 43

Late news

CTA adds 4 for realty

CHICAGO — The Chicago Transit Authority's retirement system selected four real estate managers, including Wachovia Bank & Trust Co., Winston-Salem, N.C., and Smith Barney Real Estate Corp., New York, according to sources.

The pension fund committed to commingled funds in those two cases. This was the fund's first move into real estate.

The pension fund totaled more than \$330 million at the end of 1979, according to the 1983 Money Market Directory.

The fund reportedly hired two additional advisers, The Prudential

Insurance Co., Newark, N.J., and The RREEF Funds, San Francisco, but that could not be confirmed.

Furey replaces Smith

MIDDLETOWN, Ohio — Dennis Furey Jr. has replaced Mark Smith as investment director for Armco Inc.'s \$1.4 billion pension plan, the third person to hold that position in more than 12 months.

Mr. Furey, executive vice president of Armco Investment Management Inc., was general manager of Armco's treasury operations, a company spokeswoman said. Mr. Smith, a consultant at Meidinger

Continued on page 2

WASHINGTON DC 20014
4520 EAST-WEST
STATISTICAL REFERENCE INDEX
FMPJ
D22001ASTLR
1

\$5 million in venture cap

Ohio PERS finds suite deal with hotel chain investment

By Ivy Schmerken and Kimberly Blanton

COLUMBUS, Ohio — The Ohio Public Employees Retirement Fund has made a venture capital investment in a hotel management company that will build a national hotel chain catering to the business traveler.

The \$7.7 billion state pension fund's \$5 million investment has bought 40% of the management company, Pickett Hotel Co. The remaining 60% is owned by James Pickett, a developer of real estate and hotels who is president of The Pickett Cos., Dublin, Ohio.

Robert McLaughlin, investment officer for the Ohio fund, expects to make \$25 million, or five times the initial investment. The pension fund has a \$1 billion cash flow to invest this year.

"We decided to do it because we thought it was a brilliant idea," Mr. McLaughlin said. "We'll be competitive in every market and offer more to the guest."

The concept behind Pickett Hotel Suites is to "go head-to-head" with medium-to-high-priced hotel chains like Marriott Corp.

In cities where Marriott charges \$60 a room, Pickett also will charge \$60, but Pickett hopes to offer unique services. Because the hotels will be built without meeting rooms and convention halls, the money saved there will be used to equip the rooms with numerous electronic devices — including three televisions.

The Ohio fund has put some stipulations on the hotel investment, according to C. Frances Kercheval, president of the Pickett Hotel Co. By the end of 1989, Pickett Hotels will have a public sale of its stock; the company must remain in Franklin County, where Columbus is located; and Mr. Pickett cannot sell his holding in the company to another investor.

Pickett plans to build 24 hotels by the end of 1988, Mr. Kercheval said. Ground will be broken for construction of the first hotel site,

Atlanta, at the end of October. At the end of this year, construction will begin on a second hotel in Tampa, Fla., followed by another in Atlanta and a fourth in Columbus. The hotels will be built in Ohio, the Southeast and mid-Atlantic states.

Debt financing already has been arranged for 100% — \$15 million each — of two sites, the first Atlanta hotel and the one to be built in Columbus, Mr. Kercheval said. He would not disclose the sources of finance, but said they were through traditional lending channels. Mr. Kercheval said he plans to raise another \$4 million in equity financing for each site.

The process of setting up the management company began two months ago, and within a month, the top staff will be hired.

The hotels will have seven floors and 203 suites. Each suite will have a built-in personal computer, built-in calculators, a kitchenette with a microwave oven, and a hair dryer.

Continued on page 44

Dispute over control leads to Richard Ellis departures

By Kimberly Blanton

CHICAGO — Several executives are leaving Richard Ellis Inc. amid disagreement with the firm's U.K. owners over control of domestic operations.

Donald Bodel, former president of Richard Ellis Inc., the U.S. affiliate of the international real estate firm Richard Ellis, left the Chicago office in early September. He was followed in early October by Gregory Campbell, past president of Richard Ellis Management Inc., the property management subsidiary; Bradley Olsen, the Chicago office manager of Richard Ellis Inc.; Walter Sprunt, Dallas office manager; Richard Adkisson, a vice president in Dallas; John Wilson, the San Francisco office manager; and F. Allan Chapman, vice president of property acquisitions on the West Coast.

Most of them already have or are making plans to set up their own real estate investment and consulting firms serving U.S. clients. Some are completing projects at Richard Ellis before leaving, but none will take any Richard Ellis clients with them.

As a result of the departures, Richard Ellis Inc. has announced a staff reorganization. Gerald Parkes has been appointed to the board of directors, joining current members David A. Sizur, Christopher Budden and Graham Bond.

All people leaving, except Mr. Chapman and Mr. Adkisson, were on the board and were part owners in Richard Ellis Inc., but ownership primarily is in the hands of U.K. partners.

The departure of the seven executives resulted from one change in particular at Richard Ellis Inc.: the moving of its headquarters from

Chicago to New York.

Under the restructured Richard Ellis, New York and San Francisco will become the main offices for acquiring properties. Several satellite offices around the country will manage properties and serve as "listening posts in the market," according to Mr. Sizur, who is chairman and chief executive officer of Richard Ellis Inc. Mr. Sizur recently moved to the United States from the United Kingdom.

William Lyons will remain the regional manager of Richard Ellis Management Inc.'s Chicago office, but Mr. Olsen will not be replaced. William McFarland remains as regional manager in Houston; Jerry Sauls, vice president, in Atlanta; and Christopher Roscoe in Los Angeles. No one has been named to head the San Francisco office yet. The Dallas office will close.

Continued on page 44

Late news

Continued from page 1
Asset Planning Service Inc.'s Cincinnati office, left Armco in late September. In the summer of 1982, Mr. Smith replaced Paul Chenault, who left Armco to form his own firm, C-S Capital Advisors.

Rath 1983 payment

WASHINGTON — Rath Packing Co. will spread its 1983 payment to the Pension Benefit Guaranty Corp. over 12 months, enabling the troubled company to avoid defaulting on its pension obligation.

Rath told the PBGC in July that heavy losses would prevent it from making a \$1.7 million payment due Sept. 15. The company had agreed to a \$13.3 million settlement stemming from the termination of its pension plan (*Pensions & Investment Age*, Aug. 8). Now, it will make backloaded payments on its obligation of \$1.7 million plus 12% simple interest; the first payment of \$87,473 was made Oct. 7.

Rath also will give the PBGC a percentage of its pretax profits during the 13 years starting 1985, instead of a previous 10-year period. As agreed earlier, the company also will pay about \$750,000 annually for 13 years beginning in 1985.

10 commit to fund

NEW YORK — Nine pension funds and one insurance company committed capital to a subordinated debt and equity leveraged buy-out fund organized by Forstmann Little & Co. that closed here after 3½ months with \$250 million.

Although spokesmen declined to identify the funds involved, *Pensions & Investment Age* learned they are Standard Oil (Indiana), Texas Instruments, Honeywell, Minnesota Mining and Manufacturing, GTE, General Electric, Phillips Petroleum, Boeing and Boise Cascade. The funds anticipate returns substantially in excess of normal fixed-income returns during a five-year period, said Robert Johnston, managing director of Specialized Investment Disciplines, which brought the nine funds together.

Woodford joins firm

CHICAGO — Charles Woodford, who resigned in August as head of The First National Bank of Chicago's trust department amid a department realignment, will become chairman and chief executive officer of Trust Services of America, a Los Angeles trust company and

wholly owned subsidiary of the California Federal Savings and Loan Association.

An FNB Chicago source confirmed the appointment; Mr. Woodford could not be reached for comment. FNB Chicago integrated its trust services with other bank services and applied to the comptroller of the currency to form a separate subsidiary offering investment management.

AMCAP appointment

LOS ANGELES — Marjorie Fisher was named president of AMCAP Fund, an \$863 million mutual fund specializing in growth stocks that is managed by Capital Research & Management Co., Los Angeles.

Ms. Fisher succeeds Howard Schow, who resigned Aug. 31 to form an independent money management firm. Ms. Fisher was an investment manager for 13 years. The holding company is The Capital Group, also parent to a separate affiliate, Capital Guardian Trust.

Illinois board returns

CHICAGO — In fiscal year 1983, the Illinois State Board of Investment had its highest return ever, 44.1%, according to the board's annual report. The boost in return was a result of a larger commitment to equity holdings, 51%.

City Trust adds staff

ELIZABETH, N.J. — City Trust Services has hired Luke LaValle, president and chief investment officer of American Capital Management Inc., as an adviser to its Select Fund, replacing Massachusetts Financial Services Inc. According to a City Trust spokesman, the change was made because Massachusetts Financial wanted to change the person making the decisions for the Select Fund. The Select Fund focuses on people and their ideas, the spokesman said. Mr. LaValle scored very well in a study on selection ability by a major consulting firm, the spokesman said.

City Trust's select fund invests in up to 25 stocks.

Russell funds chosen

WAUSAU, Wis. — The Wisconsin Valley Trust Co., with approximately \$160 million in assets, will use the commingled funds offered by Frank Russell Investment Management Co., according to T. James Kennedy, president.

Highlights

CASH MANAGEMENT

Page

- New CD arises from interest rate ceiling lift . . . 31
- CAPS top off short-term portfolios . . . 31
- Banks take aggressive short-term loan stance . . . 31

DAN DORFMAN

- Wall St. suspects lackluster recovery . . . 36

FEATURES

- Guilbault: Bridging the confidence gap . . . 27
- Teten, Miller: M1A charts new path . . . 28

FROM THE EDITOR'S DESK

- Investment manager uses, buys high-tech . . . 26

GENERAL NEWS

- Revision could dissuade defined benefit plans . . . 4
- Court decision: trustees' judgment rules . . . 6
- Banks await cue for commercial paper market . . . 7
- Committee fights union-supportive vehicles . . . 8
- Appeal date set in A&P case . . . 9
- Bank hopes sub will launch new image . . . 14
- Favia, Hill opens with \$9 billion in assets . . . 15
- San Bernardino apartments pay off . . . 20
- L.A. fund returns set record . . . 21
- Foundation, endowment returns . . . 22

- Corporate "abuse" of pension assets attacked . . . 23
- BBK risk/return ratio raises eyebrows . . . 29

HEDGING

- Polaroid develops stock index proxy . . . 13
- Wrap-up . . . 13

SALARY SURVEY

- Corporate pension exec salary tops \$68,000 . . . 17
- Average salary by region . . . 17
- Average salary by fund type . . . 17
- Average salary by fund size . . . 17
- Salary survey results . . . 18

OTHER DEPARTMENTS

- Accounts for the month . . . 46
- Corrections . . . 4
- Editorials . . . 10
- Letters . . . 10
- Money movers . . . 46
- People . . . 38
- Washington . . . 30

Vol. 11, No. 21 — Pensions & Investment Age (ISSN 0273-5466) is published every other Monday at 740 Rush St., Chicago, Ill. 60611. Second class postage paid at Chicago, Ill. and at additional mailing offices. Postmaster: Send address changes to Pensions & Investment Age, Circulation Dept. 740 Rush St., Chicago, Ill. 60611. Copyright 1983.

President certain but aides aren't

WASHINGTON — President Reagan says the economic recovery has been good to pension funds, and that means to retirees and workers, too.

But the White House is not sure just how good things are.

In a speech Oct. 5, the president said the economy was recovering, and pension funds were reaping the benefit.

"That brings me to the place where America's nest eggs, billions of dollars in workers' pension funds, are invested.

"The gains in the stock market have meant a higher return for all of America's workers and their retirement savings. That's very good news for retirees and workers."

However, several hours later, a researcher at the White House Office of Policy Development called this newspaper seeking data that



President Reagan: optimistic

would bear out the president's remarks.

The aide was told current data are not available, especially since the Securities and Exchange Commission ended its quarterly survey of pension fund assets after the third quarter of 1981.

Why did the SEC stop its survey, the researcher asked.

Budget cuts, she was told.

Union, public fund compensation trails

Company fund exec salary tops \$68,000

NEW YORK — The average salary for corporate pension executives in 1983 is \$68,651, for public fund executives it is \$48,081 and for union fund executives, \$59,173, a *Pensions & Investment Age* survey shows.

The survey, which drew 160 responses — 99 from corporate executives, 52 from public employee fund executives and nine from union executives — showed corporate executives received an average raise of 8% at the end of 1982, while public officials received a 6% raise and union officials received a 6.2% raise.

The income discrepancy in favor of corporate pension executives was widened further by the fact more than half of them received bonuses in 1982; among those who received them, the bonuses averaged \$13,953.

In addition, 40 of the corporate pension executives participated in profit-sharing or thrift plans, and the average company contribution to such plans in 1982 was 6.1% of salary.

Thus, the average total compensation of the corporate pension executives was more than \$86,000.

Only two public fund executives received bonuses — one \$3,000 and one \$1,000 — and only two participated in thrift plans. No union executives received bonuses.

Another major discrepancy highlighted by the survey is between the salaries of male pension executives and those of female executives. The average male executive made \$66,010 in 1983 while the average female executive made \$47,230.

The female executives had an average of 6.9 years of experience (although one had 25 years of experience) compared with 9.9 years for the average corporate pension executive, 14.9 years for the average public fund executive and 13.8 years for the average union executive.

The highest average salary was paid to executives in the New York area, \$75,026, up 7.9% from the \$69,494 they received in 1982. The next highest average was for the Northeast excluding New York, \$64,520, up 8.1% from 1982.

The lowest average salary was \$53,441 paid in the Southwest. This was an increase of 6.9% from the \$49,969 paid in 1982.

Surprisingly, the data, which was analyzed by TSN Inc., an executive search and consulting firm in New York, showed no correlation between fund size and salary, nor between responsibilities and salary.

The average salary for executives managing funds with more than \$750 million in assets was \$62,985 in 1983, up 7.2% from 1982. The average salary for funds between \$251 million and \$750 million was \$62,262, up 8.1% from 1982, while for funds between \$51 million and \$250 million, the average 1983 salary was \$55,966, up 5% from 1982.

Only two executives for funds with assets between \$10 million and \$50 million responded to the survey, and their average salary was \$59,500, up 6.6% from 1982.

A majority of corporate pension executives had advanced academic degrees. Two of the 99 executives had Ph.D.s, 50 had MBAs, three had law degrees, 10 had masters' degrees that were not MBAs, while 31 had no post-graduate degrees. Three of the executives had only high school diplomas, and one of them was earning more than the median salary for corporate fund executives.

Among the 52 public fund execu-

tives, advanced degrees were less common. Only one had a Ph.D., one had a law degree and 16 had masters' degrees, of which 13 were MBAs.

Four of the public fund executives had not finished college.

The MBA degree did seem to enhance the earning potential of public fund executives as eight of the top 10 public fund salaries went to MBAs.

Only two of the nine union fund executives, had masters' degrees.

Four of the female executives had MBAs, two had masters' degrees other than MBAs, six had bachelors' degrees and one had no college education.

The highest salary paid to a cor-

porate fund executive was \$156,000 for a fund in the \$251 million to \$750 million range. This executive has been with his company more than 20 years, has 10 years of investment experience and is responsible for manager evaluation and selection, asset allocation, performance measurement and ERISA compliance. He also has general financial responsibilities within the corporation.

The second highest paid corporate executive is receiving \$150,000 in 1983, up from \$130,000 last year. In addition, he received a \$15,000 bonus in 1982 and expects the bonus will increase this year. This executive is responsible for all aspects of pension fund management,

including management of a more than \$400 million in-house portfolio. He supervises six investment professionals and has 25 years of investment experience. He also provides advice to the corporation on corporate finance and cash management.

One corporate executive, whose salary this year is \$135,000, received a \$70,000 bonus in 1982 and expects it to increase in 1983. This executive oversees the entire pension fund investment operation, including the investment of more than \$300 million internally.

The highest paid public fund executive has a salary of \$78,400 for 1983 and oversees the investment of several billion dollars internally.

He also evaluates and selects money managers and is responsible for asset allocation.

He has nine years of investment experience.

The top paid union fund executive has a 1983 salary of \$80,358, the same as in 1982.

He has 13 years of experience and oversees the investment of \$100 million internally.

While several pension fund executives at union and public employee funds received no salary increase this year, only one executive, a West Coast corporate executive, actually suffered a decline in salary this year.

This executive's salary declined by \$20,000.

1983 salary survey				
	Base salary 1982	Base salary 1983	% increase 1983/1982	Number of responses
Salary by region				
New York	\$75,026	\$69,494	7.9	20
Northeast	64,520	59,703	8.1	33
Midwest	58,918	55,043	7.0	51
Southeast	54,521	51,426	10.6	8
Southwest	53,442	49,969	6.9	19
West Coast	60,662	56,995	6.4	17
Other	58,733	56,019	4.8	13
Salary by type of fund				
Corporate	\$68,651	63,536	8.0	99
Public	48,081	45,359	6.0	52
Union (Taft-Hartley)	59,173	55,706	6.2	9
Other	41,600	38,700	7.4	1
Salary by size of fund				
More than \$750 mil.	\$62,985	\$58,780	7.2	66
\$251-\$750 mil.	62,262	57,575	8.1	58
\$51-\$250 mil.	55,966	53,311	5.0	34
\$10-\$50 mil.	59,500	55,834	6.6	2
Less than \$10 mil.	na	na	na	na

Executive salary survey

Corporate pension executives

1983 salary	1982 bonus	Fund size (\$ mil)	Funds managed inhouse (\$ mil)	Duties*	Investment experience (years)	General finance duties
156,000	0	251-750	0	4,5,6,7	10	yes
150,000	15,000	750+	450	1,2,3,4,5,6	25	yes
143,000	0	51-250	0	4,5,6	20	yes
140,000	70,000	750+	300	1,2,3,4,5,6	31	no
135,000	40,000	750+	0	4,5,6	25	yes
130,000	20,000	251-750	250	1,2,3,4,5,6	10	no
115,000	0	251-750	300	4,5,6,7	12	yes
107,000	32,000	251-750	5	2,4,5,6,7	18	no
105,000	20,000	750+	0	4,6	4	yes
102,000	0	51-250	0	4,5,6,7	15	yes
101,000	17,000	750+	0	4,5,6,7	30	no
100,500	0	750+	1.7	6,7	—	no
95,000	16,000	750+	360	1,2,4,5,6	10	no
94,000	21,000	750	0	4,5,6,7	6	no
90,000	0	51-250	0	1,2,4,5	15	yes
90,000	25,000	251-750	0	4,5,6,7	16	yes
88,800	10,800	750+	0	4,5,6,7	5	no
87,000	26,000	251-750	0	2,4,5	30	yes
85,000	0	251-750	50	4,5,6,7	25	no
85,000	23,000	750+	0	4,5,6	15	no
81,000	17,500	251-750	0	4,5,6,7	10	no
80,000	0	251-750	0	4,5,6,7	23	no
80,000	25,000	750+	100	1,2,4,5,6	14	no
80,000	15,000	51-250	150	1,2,3	—	—
77,000	0	750+	0	4,5,6	13	no
77,000	10,000	750+	600	4,5,6,7	12	no
75,000	15,000	251-750	11	1,2,4,5,6	12	yes
75,000	16,000	251-750	100	1,2,4,5,6,7	—	no
75,000	26,000	21-250	25	4,5,6,7	12	yes
74,000	15,000	11-50	5	1,4,5	16	yes
74,000	8,000	251-750	30	2,4,5,6,7	3	no
73,000	7,500	750+	500	1,2,3,4,5,6	12	yes
72,000	0	750+	0	4,5,6	3	no
71,000	0	251-750	0	4,5,6,7	0	no
71,000	20,000	251-750	0	4,5,6,7	4	yes
68,000	0	750+	750+	4,5,6,7	8	no
68,000	12,000	251-750	50	4,5,6,7	25	yes
68,000	11,000	251-750	75	1,4,5,6	6	yes
68,000	4,000	251-750	0	4,5	13	yes
67,680	0	750+	0	3,4,5,6	8	no
67,500	0	51-250	0	7	0	no
67,300	5,620	251-750	0	4,5,6,7	16	yes
66,000	0	750+	0	4,5,6	8	no
66,000	18,000	251-750	0	4,5,6,7	17	yes
66,000	6,500	251-750	0	4,5,6	28	yes
66,000	20,000	750+	0	4,5,6	15	no
66,000	5,000	750+	35	5,6,7	5	no
65,540	75	51-250	0	4,5,6	8	yes
65,000	0	251-750	0	4,5,6	13	yes
65,000	14,000	251-750	200	1,4,5,6	2.5	no
65,000	20,000	51-250	0	4,5,6,7	20	yes
65,000	0	251-750	160+	1,2,3,4,5	18	no
65,000	0	750+	0	4,5,6,7	1	no
63,000	0	750+	0	4	12	no
62,500	8,000	51-250	0	4,5,6,7	3	yes
62,400	0	251-750	0	4,5,6	3.5	yes
62,100	23,900	51-250	all	4,5,6,7	15	no
60,900	15,725	251-750	0	1,2,4,5,6	20	no
60,000	3,000	251-750	0	4,5,6,7	20	no
60,000	0	251-750	0	4,5,6,7	7	no
60,000	5,000	251-750	250	1,2,3,4,5,6	15	no
59,800	2,600	251-750	0	4,5,6,7	7	no
59,300	14,000	251-750	145	2,3,4,5,6,7	11	no
57,000	14,500	51-250	50	2,4,5	3	yes
56,500	0	51-250	0	4,5,6,7	6	yes
55,000	0	51-250	50	2,4,5,6	4	no
55,000	0	51-250	15	4,5,6,7	3	no
55,000	11,000	251-750	0	4,5,6,7	25	no
54,000	12,000	51-250	12	2,3,4,5,6,7	10	no
54,000	0	251-750	0	4,5	1	yes
54,000	6,000	251-750	0	4,5,6	11	yes
52,000	7,500	251-750	0	4,5,6,7	1	—
51,000	4,800	750+	750+	2,4,5,6	8	no
50,000	4,000	251-750	0	4,5,6,7	9	no
49,000	6,000	51-250	0	4,5,6,7	1	yes
48,800	0	750+	0	4,5,6,7	0	no
48,000	0	750+	0	4,5,6,7	0	no
48,000	1,000	251-750	25	2,4,5,6,7	7	yes
47,000	8,000	750+	275	4,5,6	6	no
47,000	2,000	750+	0	4,5,6	6	no
46,600	5,000	251-750	0	4,5	1	yes
46,500	3,400	750+	all	—	—	no
46,000	12,000	750+	750+	4,5,6,7	10	no
46,000	8,000	51-250	0	4,5	5	no
45,000	0	51-250	0	4,5,6,7	7	yes
43,000	0	251-750	0	4,5,6	3	yes
42,500	1,800	51-250	0	4,5,6,7	3	yes
42,400	0	750+	0	4,5,6,7	4	no
42,000	0	51-250	25	1,4,5	11	yes
42,000	0	51-250	0	4,5,6,7	5	yes
42,000	0	51-250	0	4,5,6,7	7	yes
41,000	0	251-750	75	4,5,6	2	yes
40,000	0	750+	300	2,4,5,6,7	3	no
39,500	6,000	51-250	0	4,5,6,7	7	yes
36,700	0	251-750	0	4,5,6,7	3	yes
36,000	1,100	51-250	0	4,5,6,7	5	no
33,000	0	251-750	0	4,6,7	7	no
33,000	0	51-250	30	4,5,6	1	yes
32,700	0	251-750	17	4,5,6,7	5	no

*Duties: 1) Portfolio management, equities; 2) Portfolio management, bonds; 3) Security analysis; 4) Manager evaluation, selection; 5) Asset allocation; 6) Performance measurement; 7) ERISA compliance

Public fund executives

1983 salary	1982 bonus	Fund size (\$ mil)	Funds managed inhouse (\$ mil)	Duties*	Investment experience (years)	General finance duties
78,400	0	750+	750+	2,4,5,6	9	yes
73,000	0	750+	750+	1,2,5	26	no
70,000	0	750+	750+	4,5,6	24	no
69,500	0	750+	750+	2,3,4,5	na	na
65,000	0	750+	750+	1,2,4,5,6	12	no
63,000	0	750+	750+	1,2,4,5,6	20	no
62,500	0	750+	750+	1,2,5	15	no
59,000	0	750+	750+	1,2,3,5,6	20	no
57,200	0	750+	750+	na	16	no
57,000	0	750+	0	4,5,6	7	no
55,800	0	251-750	0	4,5,6	4	no
55,200	3,000	750+	0	4,5,6	17	yes
55,000	0	750+	100+	1,2,3,4,5,6	9	no
53,500	0	750+	750+	1,2,3,4,5,6	4	no
53,056	0	750+	50+	1,2,3,4,5,6	1	no
53,000	0	750+	750+	1,2,5	33	no
53,000	0	251-750	0	4,5,6	4	no
52,800	0	750+	750+	2,3,4,5,6	24	no
52,500	0	750+	700+	4,5	1	no
52,491	0	251-750	350	2,4	23	no
52,400	0	750+	750+	1,2,3,5,6	11	no
52,000	0	750+	750+	2,5	17	yes
52,000	0	51-250+	50+	2,4,5,6	17	yes
51,844	0	750+	750+	2,3,4,5,6	31	no
50,000	0	750+	na	1,2,3,4,5,6	19	no
49,080	0	750+	150+	4,5,6	9	no
46,195	0	51-250	5+	4,5,6	9	yes
45,500	0	750+	na	4,5,6	8	no
45,000	1,000	11-50	0	4,5,6	2	yes
45,000	0	750+	0	4,5,6	14	no
44,897	0	750+	750+	1,2,3,4,5,6	25	no
43,000	0	51-250	100	1,2,5	10	yes
42,700	0	750	40	2,4	10	no
42,528	0	750+	200	na	26	no
42,500	0	251-750	na	na	15	no
42,100	0	51-250	0	na	36	no
40,000	0	51-250	0	4,5	6	no
40,000	0	750	0	na	5	no
39,000	0	251-750	250+	1,2,3,4,5	25	no
38,956	0	251-750	60	2,4,5	3	no
38,547	0	251-750	0	na	25	no
38,000	0	750+	750+	3,4,5,6	15	no
37,900	0	750+	200	1,2,4,5,6	30	yes
36,200	0	251-750	15	1,2,3,4,5,6	25	no
34,800	0	251-750	40	na	5	no
33,900	0	750+	250	3,4,5,6	6	no
33,821	0	251-750	0	4,5	20	yes
33,192	0	750+	750+	2	19	yes
32,400	0	51-250	0	na	na	no
30,752	0	251-750	0	na	5	no
29,000	0	750+	200	2,4,6	10	no
26,078	0	251-750	0	4,6	20	no

Union/Taft-Hartley fund executives

1983 salary	1982 bonus	Fund size (\$ mil)	Funds managed inhouse (\$ mil)	Duties*	Investment experience (years)	General finance duties
80,358	0	251-750	100	2,4,5,6,7	13	no
67,200	0	251-750	250+	4,5,6	1	no
66,000	0	251-750	0	na	30	no
65,000	0	750+	na	na	na	yes
59,000	0	750+	400+	2,4,5,6,7	10	yes
55,000	0	51-250	20	4,5,6,7	15	no
52,000	0	251-750	0	4,6,7	na	no
50,000	0	51-250	0	4	na	na
38,000	0	51-250	0	7	na	no
41,600	0	750+	10	1,2,3,4,5,6	31	yes

Pensions & Investment Age's survey of the salaries of the nation's pension executives is based on questionnaires that were sent to about 500 corporate, state and local government, and union pension officials.

Names were selected at random from P&I Age's list of the top 1,000 pension funds and from some smaller funds listed in the 1983 Money Market Directory.

The survey drew 160 responses — 99 from corporate executives, 52 from public employee fund executives and nine from union executives.

The data was analyzed by TSN Inc., a manpower consulting firm in New York.